

Registered Insurance Brokers of Ontario (RIBO) Practice Exam (Sample)

Study Guide



Everything you need from our exam experts!

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Introduction

Preparing for a certification exam can feel overwhelming, but with the right tools, it becomes an opportunity to build confidence, sharpen your skills, and move one step closer to your goals. At Examzify, we believe that effective exam preparation isn't just about memorization, it's about understanding the material, identifying knowledge gaps, and building the test-taking strategies that lead to success.

This guide was designed to help you do exactly that.

Whether you're preparing for a licensing exam, professional certification, or entry-level qualification, this book offers structured practice to reinforce key concepts. You'll find a wide range of multiple-choice questions, each followed by clear explanations to help you understand not just the right answer, but why it's correct.

The content in this guide is based on real-world exam objectives and aligned with the types of questions and topics commonly found on official tests. It's ideal for learners who want to:

- Practice answering questions under realistic conditions,
- Improve accuracy and speed,
- Review explanations to strengthen weak areas, and
- Approach the exam with greater confidence.

We recommend using this book not as a stand-alone study tool, but alongside other resources like flashcards, textbooks, or hands-on training. For best results, we recommend working through each question, reflecting on the explanation provided, and revisiting the topics that challenge you most.

Remember: successful test preparation isn't about getting every question right the first time, it's about learning from your mistakes and improving over time. Stay focused, trust the process, and know that every page you turn brings you closer to success.

Let's begin.

How to Use This Guide

This guide is designed to help you study more effectively and approach your exam with confidence. Whether you're reviewing for the first time or doing a final refresh, here's how to get the most out of your Examzify study guide:

1. Start with a Diagnostic Review

Skim through the questions to get a sense of what you know and what you need to focus on. Your goal is to identify knowledge gaps early.

2. Study in Short, Focused Sessions

Break your study time into manageable blocks (e.g. 30 – 45 minutes). Review a handful of questions, reflect on the explanations.

3. Learn from the Explanations

After answering a question, always read the explanation, even if you got it right. It reinforces key points, corrects misunderstandings, and teaches subtle distinctions between similar answers.

4. Track Your Progress

Use bookmarks or notes (if reading digitally) to mark difficult questions. Revisit these regularly and track improvements over time.

5. Simulate the Real Exam

Once you're comfortable, try taking a full set of questions without pausing. Set a timer and simulate test-day conditions to build confidence and time management skills.

6. Repeat and Review

Don't just study once, repetition builds retention. Re-attempt questions after a few days and revisit explanations to reinforce learning. Pair this guide with other Examzify tools like flashcards, and digital practice tests to strengthen your preparation across formats.

There's no single right way to study, but consistent, thoughtful effort always wins. Use this guide flexibly, adapt the tips above to fit your pace and learning style. You've got this!

Questions

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1. What does the term "Indemnity" refer to in the context of insurance?
 - A. Restoring a policyholder's property to its original state
 - B. Putting the insured in the same financial position as before the loss
 - C. Establishing a deductible clause for claims
 - D. Paying out only the policy limit

2. Under Third Party Liability the insurer DOES NOT agree to:
 - A. Investigate, negotiate, settle terms.
 - B. Reimburse the insured for the legal expenses that are submitted by the lawyer that the insured hired.
 - C. Defend civil actions against the insured.
 - D. Reimburse insured for out of pocket costs for immediate medical aid.

3. What is the main purpose of the Family Protection Endorsement (OPCF 44)?
 - A. For all passengers of the insured auto.
 - B. When the insured and his/her spouse are the occupant of a non-owned auto.
 - C. For an insured person and his/her dependent family when a third party is at fault, but is uninsured or inadequately insured to cover the insured's claims.
 - D. To cover any family member who may be injured while walking or riding a bicycle.

4. What component is NOT included in standard property insurance?
 - A. Liability Coverage
 - B. Additional Living Expenses
 - C. Dwelling Building
 - D. Personal Property

5. Which individuals are considered "persons insured" under Uninsured Automobile coverage?
 - A. The insured driver only
 - B. The spouse of the insured when hit by an uninsured vehicle while walking the dog
 - C. Children of the insured when they are passengers
 - D. Any licensed driver operating the vehicle

6. What is required for an individual to be registered as an insurance broker when providing risk management services?
- A. They must be an employee of an insurance company.
 - B. They must receive compensation for their services.
 - C. They must have a university degree.
 - D. They must have a minimum of five years of experience.
7. Who would not be covered under the Uninsured Automobile Coverage?
- A. The Named Insured while driving the Described Automobile.
 - B. The Named Insured's Spouse while an occupant of an uninsured vehicle.
 - C. Any relative of either the Named Insured or his or her spouse while the occupant of an uninsured vehicle.
 - D. A dependant relative of the Named Insured's spouse when hit as a pedestrian by an uninsured and/or unidentified automobile.
8. Under what conditions does Voluntary Payment for Damage to Property apply in a Homeowners Comprehensive policy?
- A. Intentional damage to property
 - B. Property damage caused by the insured's negligence
 - C. Property of others damaged unintentionally
 - D. Damage to vacant property owned by the insured
9. Which of the following is considered optional in a residential policy?
- A. Liability coverage
 - B. Property damage coverage
 - C. Contents coverage
 - D. Section 3 of the policy
10. What is the number one requirement to qualify for a Comprehensive Homeowners policy?
- A. The owner must live in the dwelling.
 - B. The property must be at least 10 years old.
 - C. The property must be insured for its full value.
 - D. The owner must have no prior insurance claims.

Answers

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1. B
2. B
3. C
4. A
5. B
6. B
7. C
8. C
9. D
10. A

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Explanations

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1. What does the term "Indemnity" refer to in the context of insurance?

- A. Restoring a policyholder's property to its original state
- B. Putting the insured in the same financial position as before the loss
- C. Establishing a deductible clause for claims
- D. Paying out only the policy limit

The term "Indemnity" in the context of insurance is best understood as the principle of compensating the insured to restore them to the financial position they held prior to the loss. This ensures that they do not profit from an insurance claim but rather receive compensation that reflects their actual loss. The aim is to provide financial protection against unexpected events without resulting in any enrichment for the insured beyond their original loss. Restoring property to its original state focuses on physical damages rather than the overall financial impact, which is a narrower aspect of indemnity. Establishing a deductible clause relates to the part of a claim the insured would pay out-of-pocket before insurance kicks in, which is not directly tied to the essence of indemnity itself. Lastly, paying out only the policy limit concerns a cap on the compensation provided, which may not fully address the actual financial loss experienced by the insured. Ultimately, the focus of indemnity is on ensuring complete financial restitution up to the extent of the loss incurred.

2. Under Third Party Liability the insurer DOES NOT agree to:

- A. Investigate, negotiate, settle terms.
- B. Reimburse the insured for the legal expenses that are submitted by the lawyer that the insured hired.
- C. Defend civil actions against the insured.
- D. Reimburse insured for out of pocket costs for immediate medical aid.

Under Third Party Liability, the insurer agrees to investigate, negotiate, and settle terms with the third party on behalf of the insured. This includes defending civil actions and reimbursing the insured for medical costs incurred for immediate aid. However, the insurer does not agree to reimburse the insured for any legal expenses submitted by a lawyer that the insured hired. Therefore, option B is incorrect because it goes against what the insurer agrees to under Third Party Liability.

3. What is the main purpose of the Family Protection Endorsement (OPCF 44)?
- A. For all passengers of the insured auto.
 - B. When the insured and his/her spouse are the occupant of a non-owned auto.
 - C. For an insured person and his/her dependent family when a third party is at fault, but is uninsured or inadequately insured to cover the insured's claims.
 - D. To cover any family member who may be injured while walking or riding a bicycle.

The Family Protection Endorsement (OPCF 44) is a type of coverage that provides financial protection for insured individuals and their dependent family members in the event of an accident where the other driver is at fault, but does not have enough insurance coverage to fully compensate for the damages. Option A is incorrect because this endorsement only provides coverage for the insured and their family, not necessarily all passengers in the vehicle. Option B is incorrect because it only applies when the insured and their spouse are in a non-owned vehicle, not their own insured vehicle. Option D is incorrect because it does not specify coverage for other drivers, only family members who are injured while walking or riding a bicycle. The main purpose of the Family Protection Endorsement is to protect the insured and their family from potential financial burden in the event of an accident caused by an uninsured or underinsured third party.

4. What component is NOT included in standard property insurance?
- A. Liability Coverage
 - B. Additional Living Expenses
 - C. Dwelling Building
 - D. Personal Property

Liability coverage is typically not included in standard property insurance policies. Standard property insurance primarily focuses on the physical structure of the property and the personal belongings within it. It provides coverage for risks such as fire, theft, or natural disasters affecting the dwelling and personal property. On the other hand, additional living expenses, dwelling building coverage, and personal property coverage are fundamental elements of most standard property insurance policies. Additional living expenses cover costs incurred if you cannot live in your home due to a covered loss. Dwelling building coverage protects the physical structure itself, while personal property coverage safeguards personal belongings like furniture and electronics. Hence, liability coverage, which addresses claims for bodily injury or property damage to others, is typically a separate component in insurance policies and not part of standard property coverage.

5. Which individuals are considered "persons insured" under Uninsured Automobile coverage?

A. The insured driver only

B. The spouse of the insured when hit by an uninsured vehicle while walking the dog

C. Children of the insured when they are passengers

D. Any licensed driver operating the vehicle

In Uninsured Automobile coverage, "persons insured" typically include individuals who are directly connected to the insured policyholder, including family members and other specified individuals. The inclusion of the spouse when hit by an uninsured vehicle, even while engaged in an activity such as walking a dog, reflects the broader protection offered under this coverage. This coverage aims to protect not only the policyholder while they are operating their vehicle but also their immediate family members as they may be subject to the same risks on the road. Therefore, the correct answer acknowledges that spouses, as close relatives, are covered under such circumstances when they are directly affected by an uninsured vehicle. Other possible choices may have limitations on who qualifies for coverage. For instance, while licensed drivers operating the vehicle may have some coverage depending on the policy, often only those specifically named in the policy or family members are granted broad protection under Uninsured Automobile coverage.

6. What is required for an individual to be registered as an insurance broker when providing risk management services?

A. They must be an employee of an insurance company.

B. They must receive compensation for their services.

C. They must have a university degree.

D. They must have a minimum of five years of experience.

To be registered as an insurance broker when providing risk management services, receiving compensation for those services is a critical requirement. Compensation typically ensures that the individual is recognized as an active participant in the professional insurance brokerage arena rather than someone engaging in voluntary or unpaid advisory roles. This establishes a formal relationship with clients and legitimizes the broker's role in managing risk, as they are providing valuable expertise for which they are compensated. Receiving compensation also helps to maintain a standard of professionalism and accountability. If a broker is being paid for their services, it indicates that they are expected to meet certain standards in their practice, which is essential for maintaining the integrity of the insurance industry. Other options, such as being employed by an insurance company, possessing a university degree, or having a minimum of five years of experience, are not universally mandatory requirements for registration. While such qualifications might be beneficial or enhance credibility, they do not directly align with the basic criteria for registration as a broker focused on risk management. Therefore, compensation stands out as a vital component for registration in this field.

7. Who would not be covered under the Uninsured Automobile Coverage?

- A. The Named Insured while driving the Described Automobile.
- B. The Named Insured's Spouse while an occupant of an uninsured vehicle.
- C. Any relative of either the Named Insured or his or her spouse while the occupant of an uninsured vehicle.
- D. A dependant relative of the Named Insured's spouse when hit as a pedestrian by an uninsured and/or unidentified automobile.

The correct answer is C. This is because uninsured automobile coverage typically only applies to the named insured and their immediate family members, such as a spouse or dependant. Option A is incorrect because the named insured is usually covered while driving the described automobile. Option B is incorrect because a named insured's spouse is typically covered while occupying an uninsured vehicle. Option D is incorrect because it only applies to a dependent relative of the named insured's spouse, not any other relative of the named insured or spouse.

8. Under what conditions does Voluntary Payment for Damage to Property apply in a Homeowners Comprehensive policy?

- A. Intentional damage to property
- B. Property damage caused by the insured's negligence
- C. Property of others damaged unintentionally
- D. Damage to vacant property owned by the insured

The concept of Voluntary Payment for Damage to Property in a Homeowners Comprehensive policy is specifically designed to address situations where the insured unintentionally causes damage to the property of others. This provision recognizes the good faith effort of the policyholder who, out of concern or goodwill, offers to pay for damages even when there may not be a legal obligation to do so. When an incident occurs that results in accidental damage to someone else's property, the insured may feel compelled to rectify the situation immediately, leading to a voluntary payment. This aligns with the principle of ensuring neighborly relations and maintaining community standards, encapsulated within Homeowners policies, which prioritize the protection of both the insured and the wider community. This provision does not extend to the other options. For example, intentional damage would not qualify, as insurance policies typically do not cover deliberate actions. Similarly, property damage caused by the insured's own negligence does not usually fall under voluntary payment guidelines as it implies liability on the part of the insured. Lastly, damage to vacant property owned by the insured often has its own coverage stipulations or exclusions in homeowners' policies, which further distinguishes it from the concept of voluntary payment for damage to the property of others.

9. Which of the following is considered optional in a residential policy?

- A. Liability coverage
- B. Property damage coverage
- C. Contents coverage
- D. Section 3 of the policy

The correct choice here is that Section 3 of the policy is considered optional in a residential policy. In many residential insurance policies, Section 3 pertains to specific endorsements, additional coverages, or optional riders that may not be included as standard provisions within the main policy. These may cover scenarios or assets that the policyholder can choose to add based on their individual needs or preferences. Liability coverage, property damage coverage, and contents coverage typically form the fundamental aspects of a residential policy. Liability coverage protects homeowners against claims resulting from injuries or damages to other people or their property, while property damage coverage is crucial for safeguarding the structure itself. Contents coverage protects personal belongings within the home, which is essential for most policyholders. Thus, while the other options represent critical components of residential insurance coverage, Section 3 often includes additional options that can be customized based on individual needs, making it optional rather than mandatory.

10. What is the number one requirement to qualify for a Comprehensive Homeowners policy?

- A. The owner must live in the dwelling.
- B. The property must be at least 10 years old.
- C. The property must be insured for its full value.
- D. The owner must have no prior insurance claims.

The primary requirement to qualify for a Comprehensive Homeowners policy is that the owner must live in the dwelling. This requirement reflects the intention of homeowners insurance, which is designed to protect the personal property and liability risks of those who occupy the home. When the owner resides in the property, it ensures that the policy is aligned with typical use and occupancy, which can influence the overall risk assessment for the insurer. Living in the dwelling signifies a commitment to the upkeep and maintenance of the property, which can reduce the risk of damage or loss. Insurers also factor in the lifestyle of the policyholder, understanding that homeowners are more likely to take proactive measures to protect their home. This condition ensures that the insurance coverage is appropriate for the lifestyle and needs of the policyholder, directly affecting the policy's risk evaluations and terms. The other considerations, such as the property's age, its valuation, or the owner's claims history, are important factors in determining coverage and premiums but are not as critical as the requirement of the owner residing in the property.

Next Steps

Congratulations on reaching the final section of this guide. You've taken a meaningful step toward passing your certification exam and advancing your career.

As you continue preparing, remember that consistent practice, review, and self-reflection are key to success. Make time to revisit difficult topics, simulate exam conditions, and track your progress along the way.

If you need help, have suggestions, or want to share feedback, we'd love to hear from you. Reach out to our team at hello@examzify.com.

Or visit your dedicated course page for more study tools and resources:

<https://ontarioautoribo.examzify.com>

We wish you the very best on your exam journey. You've got this!

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